GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1772
ANSWERED ON:03.08.2000
OUTSTANDING DUES OF NEEPCO
RANEE NARAH

Will the Minister of POWER be pleased to state:

(a) the details of outstanding dues of the North-Eastern States with North-Eastern Electric Power Corporation;

(b) the details of total outstanding dues, State-wise separately; and

(c) the steps taken by the Government to realise the amount?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) & (b): The details of the outstanding dues as on 30th June, 2000 of North Eastern Electric Power Corporation(NEEPCO)from North Eastern States, State-wise are given below:

S.No.	Name of SEB/States	Outstanding dues (Rs. in Crores)
1.	Assam SEB	672.58
2.	Mizoram	21.71
3.	Manipur	110.91
4.	Tripura	34.10
5.	Arunachal Pradesh	15.38
6.	Nagaland	59.02
7.	Meghalaya S.E.B.	10.44
TOTAL		924.14

(c): NEEPCOManagement has been actively pursuing the recovery of dues from the concerned State Governments/SEBs in the North Eastern Region. State Governments/SEBs are being persuaded to open the Letter of Credit to cover full amount current monthly bills.

As the efforts made by NEEPCO did not yieldany results, NEEPCO issued notices to all the beneficiary Statesfor regulation of Power supply w.e.f. 01.06.2000 if the dues are not settled by 30.05.2000. However, as a result of Public Interest Litigation filed in the Guwahati High Court, Hon`ble HighCourt passed an Order dated 1.6.2000 restraining NEEPCO from regulatingpower. The Court vide its further Order dated 16.6.2000 directed the Assam Government and the ASEB to payRs.50.00 crores to NEEPCOwithin a period of one month and to also file affidavit with the Court as to the liquidation of its dues in phased manner including opening of a Letter of Credit. The High Court has further asked the State of Assam to consider the feasibility of taking up with the Central Government the issue of increase in the percentage of Central deduction to be directly paid to NEEPCOagainst the outstanding dues. The case is pending in the Guwahati High Court.

The Central Government has recently approved a scheme of securitisation of dues of SEBs toCentral PSUs of Ministry of Power and Department of Coal. The Scheme envisages issue of bonds by the concerned SEBs toCPSUsto cover the principle amount outstanding. The bonds are to be backed by a State Government guarantee and provision in the budget of the State Government for repayments of principle and interest. As an added safeguard, 15% of Central Plan Assistance of the concerned State would also be available in case of a default.